UNDP

UNITED NATIONS DEVELOPMENT PROGRAMME

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ENGLISH

APPROVAL OF UNCDF/UNDP ASSISTANCE TO A PROJECT OF NICARAGUA

IPF:(1992-96) $ 19 900 000

(NIC/92/C01) - Construction of Bridge on the Jicaro River

Date of approval by the AC:[1]	7 October 1992
Expected duration:	12 months
Proposed executing agency:	UNDP/OPS
Government implementing agency:	Ministry of Construction and Transport
Proposed UNDP contribution:	$ 26 200 (PRODERE)
Government cost sharing:	$ 6 000
Proposed UNCDF contribution:	$ 946 400

DEPT.

Project background

The UNCDF 1992-96 program was developed within the framework of the "National Development Strategy" and "Program of National Reconciliation and Economic Rehabilitation (PRRN). For optimal impact and cost effective management, the program will be concentrated in the mid-section of the Coco river basin and complement PRODERE's development activities. The program is designed to contribute to: (a) the spatial extension and economic diversification of the country's productive base along the so-called "eje potencial de desarrollo"; and (b) the process of government decentralization and the empowerment of local governments ("municipios") to plan, manage and support local development activities.

Individual investment projects will include the electrification of the Quilali-Wiwili are, the construction of the Wiwili mini-hydro plant, the improvement of the Quilali water system and Jalapa sanitation system, grain storage enterprise in Jalpapa, and municipal credit systems for productive activities.

PRODERE (Development Program for Displaced, Refugees and Repatriated Persons in Central America) a UNDP/OPS executed project, is the largest program active in Region I and VI of the Central Macro-region. The immediate needs of the target population of PRODERE are identified and prioritized by the community through its Committee. PRODERE is successfully trying to incorporate them into the local economy by providing access to social infrastructure (health, schools and housing), land for agriculture and livestock production and credit. UNCDF's financing of investment project at an intermunicipal scale will create a regional synergy effect for the grassroots microeconomic program in the area covered by PRODERE.

[1] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

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Description of project

The project will directly relate and complement two of the main areas of concentration in the Fifth UNDP Country Programme for Nicaragua, specifically: (1) the National Reconciliation through the reintegration and promotion of the economic and social development of the war affected population; and (2) the reactivation of the productive sector. It will also seek to construct a 75 m. long bridge across the Jicaro River, on a regional trunk road at the outskirt of the Quilali urban center. Project activities will include: (a) removing a transport bottleneck and contributing to better conditions for agricultural production and productivity in the "La Vigia" valley and the entire area north of the Coco river and east of the Jicaro river, where PRODERE is actively extending technical assistance and credit to farmers; (b) improving access to the sub-regional Hospital and other social facilities and specialized commerce located in Quilali for the 12,000 people living east of the river; (c) facilitating an environmentally sound expansion of the Quilali urban area by relieving residential development pressures on flood prone areas: (d) catering for a growing pedestrian traffic across the river; and (e) eliminating the present danger for human lives and loss of animals and property associated with such river crossing during high water periods.

The option of constructing the bridge has been evaluated against the alternative of rehabilitating a 10 km long road that could make use of an existing small bridge crossing the river about five km upstream of Quilali. The analysis has shown that the road rehabilitation would have had a high cost per km, lack of adequate funding for maintenance, a high environmental degradation risk, and would not address the problem of pedestrian traffic and intra-urban link across the Jicaro.

Inputs

UNCDF will provide mission costs; a subcontract to construct a 75 m long bridge; program support; and contingencies to the project.

Financial data

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Missions	30 000
Subcontract	582 700
Contingencies	245 100
Program Support	88 600
Total	946 400

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